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A worker with more than 52 weeks of work in the last 104 weeks prior to the lay-off will receive a week of benefit for every two weeks of employment, to a maximum of 52 weeks of assistance, or 78 weeks in the case of trainees.

### ***TAB and SUB...***

Some laid-off workers would normally be eligible for Supplementary Unemployment Benefits, provided in the labour-management agreements of major automotive companies and a few automotive parts companies.

These companies will not be required to make SUB payments because the Transitional Assistance Benefit, together with unemployment insurance, totals at least 62 per cent of a worker's pay plus \$1.50 for each dependent up to a maximum of four, as provided for in SUB agreements.

These companies therefore have been asked to contribute to the TAB fund an amount equivalent to the SUB benefits they would have paid.

These company contributions are a requirement for payment of TAB benefits to workers otherwise eligible for SUB. TAB benefits will be paid to workers in these companies not eligible for SUB.

### ***In Summary...***

- The automotive companies share with the government the cost of the TAB benefits.
- TAB benefits are generally higher in amount and longer in duration than SUB benefits.
- The workers credits in the SUB fund are not used up and are therefore available for future layoffs.
- Workers are entitled to equal benefits regardless of whether there is a SUB plan or not.

# **T R A N S I T I O N A L A S S I S T A N C E B E N E F I T  P L A N**



***for Workers  
in Motor Vehicle  
and Parts Industries***

Published under authority of  
Hon. Allan J. MacEachen, Minister of Labour, Canada

## *Background . . .*

- On June 28, 1965, Hon. Allan J. MacEachen, Minister of Labour, announced in the House of Commons an adjustment assistance program for Canadian workers in automobile and automobile parts industries, whose employment will be affected by the new Canada-U.S. Automotive Agreement.
- This Federal Government plan is called the "Transitional Assistance Benefit Program". It is complementary to the assistance program of loans for automotive parts firms.
- The expansion and increased employment, which will result from the Agreement, involves a good deal of re-organization of production and of the present work force.
- The reasoning behind the assistance program is that because the economy as a whole will benefit from the new Automotive Agreement, the people of Canada and the automotive companies themselves should bear an equitable part of the resulting financial burden of adjustment which will fall on some groups of workers.
- This pamphlet sets forth the main features of the Transitional Assistance Benefit Program (TAB). Extra copies are available from the Information Branch, Department of Labour, Ottawa.

Further information may be obtained from the Department or from any local office of the National Employment Service or the Unemployment Insurance Commission.

## *Who is Eligible . . .*

- (a) Any worker in the automotive or parts industries with at least 30 weeks employment in the last 52 weeks in these industries prior to lay-off, and
- (b) who is qualified to receive unemployment insurance benefits. The Adjustment Assistance Board, set up by the government to deal with transitional problems of workers and manufacturers, must find that a significant proportion of workers in a firm or plant will be laid off for at least 30 days; and that this lay-off was the result of the termination, or decrease of, production or activity arising from the Canada-U.S. Automotive Agreement.

## *How Much . . .*

Assistance benefits range from 62 per cent to 75 per cent of a worker's weekly pay. The actual amount paid will

- (a) be governed by the number of his dependents, and
- (b) be not more than 65 per cent of the industries' average weekly wages and salaries, currently amounting to approximately \$75.
- (c) Grants are available for transportation costs to employment in other areas.

## *How Long . . .*

Duration of benefit payable is based on length of employment in the industry. Maximum duration is 18 months (for a worker completing a training program). A worker with the minimum qualification of service will receive four weeks of benefit, with an extra week of benefit for every week of employment over 30 weeks, up to 26 weeks of assistance.